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April 22, 2021

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Blue Granite Water Company's Letter Regarding Meter Reads
ND-2021-4-W

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed the April 13, 2021 letter submitted by Blue Granite Water Company ("BGWC" or "Company") related to meter reads.

Overview of Company Letter

BGWC filed a letter informing the Commission that the Company recently discovered a meter read issue with an employee of their third-party contractor, Clearwater Solutions. According to the Company, 450 customer accounts were impacted. The Company indicates that all affected meters were verified for accurate readings.

The Company states they communicated with affected customers through voice alerts and e-mail messages advising there would be no disconnections for non-payment through June 1, 2021, and the availability of short and long-term payment arrangements.

The Company also states it developed and implemented a plan to address this issue moving forward so as to further mitigate the possibility of recurrence. According to the Company, this plan includes the random testing of individual meters throughout the region to verify read accuracy, more stringent monitoring of any third-party contract employees working for the Company via monthly reports, and more stringent internal reviews of the data Blue Granite can generate each month as customers pay bills.

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ORS Investigation of Meter Reads Issue

In early March 2021, ORS received two (2) higher than normal water service bill complaints from BGWC customers in the Midlands service area, one on March 4, 2021, the other on March 8, 2021. In response to the ORS investigations, BGWC informed ORS on March 11, 2021, that the customer complaints investigated by ORS were indicative of a broader issue. ORS and BGWC met to discuss the meter reading complaints later that same day. ORS learned the Company discovered meter read issues affecting customer bills in their Midlands service area and BGWC was working with their contract meter reader on a corrective action plan. In addition, ORS began to receive multiple customer complaints related to higher than normal billed consumption.

On March 16, 2021, ORS requested the Company submit a written root cause analysis and corrective action plan to identify the steps BGWC had taken or will take to correct the meter read issue that resulted in higher than normal bills for customers in the Midlands service area. The Company submitted to ORS a root cause analysis/corrective action plan on March 25, 2021. On April 12, 2021, the Company submitted an updated root cause analysis/corrective action plan to ORS. According to the Company's analysis, an employee of the contract meter reader, Clearwater Solutions, estimated meter reads for 450 accounts for January 2021 and February 2021 water usage. The customer billing accounts impacted by the estimated meter readings were limited to two (2) of the Company's billing cycles in the Midlands service area. The two (2) billing cycles impacted by the estimated meter readings were PS19 and PSEM.¹ The Company outlined several corrective measures to be implemented internally to verify readings and accurate bills. Those corrective measures include implementing a 30-day cure period, using a more stringent monitoring process of the contractor and BGWC staff, random selection of accounts for BGWC to verify reads, monthly reports from the contractor and BGWC staff, and a review of customer service data, zero consumption reports, vacancy reports, and estimated reads reports.

Between March 4, 2021 and April 16, 2021, ORS received twenty-seven (27) billing complaints from BGWC customers located in the Midlands service area. ORS's investigation results identified that twenty-four (24) customers in the two (2) impacted billing cycles were billed low usage estimations in January 2021 and February 2021 per the estimated reads provided by the Company. The customer bills generated in March 2021, after the Company verified that all meters had been read accurately, were therefore higher than the previous two (2) months and reflect actual customer usage for the January through March billing timeframe. Three (3) of the customer accounts contained erroneous meter readings which were corrected on the customer's accounts and billing adjustments were made in accordance with Commission Regulation 103-533.

ORS will continue to monitor BGWC meter readings and customer bills generated by BGWC across their service territories over the coming weeks to ensure the Company complies

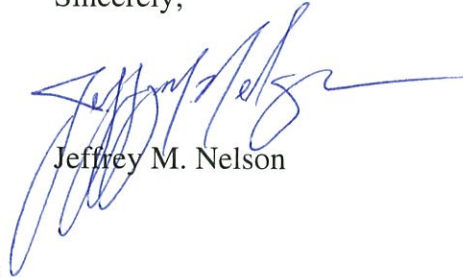
¹ Bill Cycles PS19 and PSEM are located in Chapin, Gaston, Irmo, Lexington, and West Columbia and include the following subdivisions: Brighton Forest, Golden Pond, Harborside, Hidden Valley, Idlewood, Laurel Meadows, Oak Grove Estates, Oakwood, Palmetto Apartments, Planters Station, Rollingwood, Lake Murray, Springlake, Dutchwood, Springhill, Oakcrest, Sycamore Acres, The Landings, Greyland Forest, Woodcastle, Spences Point, Mallard Shores, Westside Terrace, and Barney Rhett

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with all Commission rules and regulations regarding timely and accurate meter readings and billing statements.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffrey M. Nelson

cc: All Parties of Record (via e-mail)
David Butler, Esquire (via e-mail)